GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1709
ANSWERED ON:10.03.2017
Impact of Demonetisation on NRIs
Premachandran Shri N.K.

Will the Minister of FINANCE be pleased to state:

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1709
TO BE ANSWERED ON 10th MARCH, 2017/ PHALGUNA 19, 1938 (SAKA)
IMPACT OF DEMONETISATION ON NRIS
QUESTION
1709: SHRI N.K. PREMACHANDRAN:
Will the Minister of FINANCE be pleased to state:
(a) whether the Government has conducted any study regarding the difficulties of NRIs visiting India for short duration due to lack of fund on account of demonetisation;

(b) if so, the details thereof;

(c) whether the Government proposes to introduce scheme for exchange of old notes and ensure sufficient flow of new currency to the aforesaid NRIs; and

(d) if so, the details thereof and the arrangements made in this regard?

Answer

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)
(a) & (b) Various steps have been taken in order to ease the difficulties being faced by foreign tourists/ NRIs. To avoid any inconvenience to foreign tourists, Authorised Persons were advised to issue Pre-paid instruments to them in terms of the instructions issued by Department of Payments and Settlement System, Reserve Bank of India, in exchange of foreign exchange tendered.
(c) & (d) The Specified Bank Notes (Cessation of Liabilities) Ordinance 2016 was promulgated by the President of India (GoI Ordinance No. 10 of 2016 dated December 30, 2016) and it came into effect from December 31, 2016. Subsequently, the Specified Bank Notes (Cessation of Liabilities) Act, 2017 was notified on 28th February, 2017.
A grace period has been provided during which the Specified Bank Notes can be deposited in accordance with this Ordinance/Act by Indian citizens who make a declaration that they were outside India between November 9 and December 30, 2016, subject to conditions that may be specified by notification by the Central Government. The grace period for Indian citizen residing in India is March 31, 2017 and for Indian citizen resident outside is June 30, 2017 as per Government of India notification no. 10 dated December 30, 2016. While there is no monetary limit for exchange for the eligible Resident Indians, the limit for NRIs is as per the relevant FEMA Regulations.
The Reserve Bank, if satisfied after making the necessary verifications, that the reasons for failure to deposit the notes till December 30, 2016 are genuine, will credit the value of notes in the KYC (Know Your Customer) compliant bank account of the tenderer. This facility is available only at five selected RBI Offices (Mumbai, New Delhi, Chennai, Kolkata, and Nagpur).
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